



*Independent Companies. One Voice.*

**One Parkway Center, Suite 212  
Pittsburgh, Pennsylvania 15220-3505  
412-922-8300 Office  
412-922-2110 Facsimile**

**Matthew M. Polka, President  
Direct Dial: 412-922-8300, Ext. 14  
Email: mpolka@americancable.org**

September 15, 2003

Ms. Jacqueline G. Rosier  
Secretary  
LOCAL Television Loan Guarantee Board  
1400 Independence Avenue, SW  
STOP 1575, Room 2919-S  
Washington, DC 20250-1575

***via Federal Express***

**RE: Letter of the American Cable Association in support of the  
National Cable & Telecommunications Association's Comments in  
response to the LOCAL Television Loan Guarantee Board's  
proposed rules**

Dear Ms. Rosier:

I submit this letter on behalf of the American Cable Association ("ACA") to support the Comments filed by the National Cable & Telecommunications Association ("NCTA") on September 15, 2003, in response to the LOCAL Television Loan Guarantee Board's proposed rules ("Proposed Rules").<sup>1</sup>

Like the NCTA, ACA is a trade association serving the cable television industry. ACA represents the interests of nearly 1,000 smaller market cable companies that range from small, family-run cable systems to multiple system operators focusing on smaller systems and markets. Together, ACA members serve about 7.5 million cable and Internet subscribers, primarily in smaller markets and rural areas. Our members are located in all 50 states and in virtually every congressional district. The average ACA member serves 7,000

---

<sup>1</sup> *Proposed Rules, LOCAL Television Loan Guarantee Board, 7 CFR Parts 2200 and 2201, RIN 0572-AB82, 68 FR 48814 (Aug. 15, 2003).*

subscribers. More than half of ACA's members serve less than 1,000 subscribers. All members face the challenges of owning, operating, and upgrading broadband networks in lower density markets. The majority of ACA members serve "nonserved" and "underserved" areas as defined by the Proposed Rules. ACA therefore shares NCTA's concerns with the Proposed Rule.

As described in NCTA's Comments, the Launching Our Communities' Access to Local Television Act of 2000 ("Act") was designed to facilitate access, on a technologically neutral basis, to the signals of local television stations for households located in "nonserved" and "underserved" areas. Further, the Act requires that projects funded under the rules do not have a substantial adverse impact on competition that outweighs the benefits of improving access to local television broadcast signals in nonserved or underserved areas.

ACA therefore fully supports NCTA's Comments, in particular NCTA's proposals that have direct bearing on smaller cable operators and their rural customers:

- Section 2201.11 of the rules should be modified to require applicants to certify that they have researched MVPD activity in the area that they propose to serve, and to list those MVPDs and whether they provide access to local television broadcast signals.
- A public notice process should be put in place so that affected participants in the DMA are aware that the application has been filed.
- If there are multiple application windows, the Board should establish regulations that will maintain the priority to serve nonserved areas, so that earlier projects for underserved areas don't freeze out later proposals to provide service to nonserved areas.
- The definition of "Local Television Broadcast Signals" should take into account communications law and policy, including statutes and regulations governing must-carry and retransmission consent. The non-carriage that may occur under these statutes and regulations shouldn't trigger a finding that an area is "nonserved" or "underserved." Otherwise, government funds could be used to unfairly subsidize competition where a cable operator is carrying local broadcast stations in full compliance with its obligations under the Communications Act.

- The Board should adopt procedures to determine when 75% of DMAs other than the top 40 DMAs have access to local television broadcast signals for virtually all households, and to terminate the program when this threshold is reached.

In summary, to ensure that the Proposed Rules support the statutory framework and policies behind the Act's loan guarantee program, the Board must carefully study NCTA's excellent filing and act on NCTA's proposals.

Yours sincerely,



Matthew M. Polka